GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Civil Supplies – De-Centralized Procurement – Policy for Kharif Marketing Season 2019-20 – Orders – Issued.

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CONSUMER AFFAIRS, FOOD & CIVIL SUPPLIES (CS.I) DEPARTMENT

G.O.Ms.No.1 **Dated:01.01.2020**

Read the following:

1. A.P. Rice Procurement (Levy) Order, 1984.
2. MoU with GOI on DCP vide Lr.No.3(4)/2015, Py.I, dt.13.10.2015.
3. G.O.Ms.No.20 CA, F& CS(CS.I) Dept. dt.12.09.2018.
4. GOI Lr.No.3(13)/2019-Py.I, dt.25.07.2019 and 31.07.2019 from the Under Secretary to GoI, Dept. of Food & Public Distribution, M/o CA, F & PD, New Delhi.
5. Minutes of the meeting held on 27.06.2019 with State Food Secretaries communicated in GOI letter No.3(11)/2019-Py.I, dt.30.07.2019 from the Under Secretary to GOI, Dept. of Food & Public Distribution, M/o, CA, F&PD, New Delhi.
6. VC & Managing Director, APSCSCL, Vijayawada, Letter No.Mktg. M2/ 2027/Kharif 2018-19, dt.22.11.2019.
7. GOI Lr.No.8-2/2019-S&I, dt.27.09.2019 from the Deputy Commissioner(S&R), Dept. of Food & Public Distribution, M/o CA, F & PD, New Delhi.

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ORDER:

With a view to ensure payment of Minimum Support Price (MSP) for paddy to the farmers and to improve outreach of decentralized procurement to the farm gate for coverage and to curb exploitation of farmers by the Millers / Traders and to acquire self sufficiency in procuring rice for Targeted Public Distribution System (TPDS) and Other Welfare Schemes (OWS), Decentralized Procurement (DCP) was taken up in the State w.e.f., 1st October, 2015.

2. A Memorandum of Understanding has been executed on Decentralized Procurement of paddy (DCP) between the Government of India (GOI) and the State Government. The AP State Civil Supplies Corporation Ltd., shall procure FAQ paddy, mill the paddy and retain the resultant raw rice for TPDS and OWS as per allocation made by the Central Government and hand over the excess rice either raw or boiled to the Food Corporation of India for Central pool.

3. The objective of operating the Paddy Purchase Centers (PPC) is to ensure Minimum Support Price (MSP) to the farmers at their nearest place as far as possible. The A.P. State Civil Supplies Corporation Ltd., shall open as many purchase centres as required for purchase of paddy from the farmers at MSP by getting them opened through Departmental PPCs, women Self Help Groups, PACS, DCMSs, Rythu Mithras etc., in all the paddy growing districts. The AP State Civil Supplies Corporation Ltd., shall also ensure that adequate gunnies and other equipment are made available at the purchase centres.

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4. The Collectors shall constitute a District Procurement Committee with the Joint Collector as Chairman and District Level Officials of all connected departments, namely, Agriculture, Marketing, Cooperative, Civil Supplies, Transport, DRDA, ITDA, I & PR, Warehousing Agencies (CWC, SWC), Procurement Agencies (FCI, APSCSCL) and also Sub-Collectors / RDOs as members to coordinate and decide on all the activities and monitor the work on day-to-day basis.

5. The following operational guidelines are issued for smooth procurement of paddy for KMS 2019-20.

6. The Minimum Support Price (MSP) for FAQ paddy communicated by the GOI is as follows:

(i) Common : Rs.1815/- per quintal
(ii) Grade "A" : Rs.1835/- per quintal

7. Wide publicity of the Minimum Support Price (MSP) for paddy for both varieties of Common and Grade 'A' shall be ensured. The farmers shall be provided awareness of the specifications prescribed as detailed below for securing MSP for Fair Average Quality Paddy through print and electronic media, tom tom (beat of drum) and through pamphlets/ leaflets, posters etc.,

UNIFORM SPECIFICATION FOR FAQ PADDY

Sl.No.	Refractions	Maximum Limits (%)
1.	Foreign matter a) Inorganic b) Organic	 1.0 1.0
2.	Damaged, discoloured, Sprouted and weevilled grains	5.0*
3.	Immature, Shrunken and shrivelled grains	3.0
4.	Admixture of lower class	6.0
5.	Moisture content	17.0

* Damaged, sprouted and weevilled grains should not exceed 4%.

8. **PADDY PURCHASE CENTERS –DMs ROLE:**

- Paddy shall be purchased from the farmers directly through the paddy purchase centres operated throughout the District.
- The registration of farmers undertaken up to the last KMS 2018-19 are available in the NFSA Software and the PPC incharges should ensure adding of land details of each and every farmer. The Software also facilitates edit option to alter the details, if any, on the request of the farmer i.e., change of Bank account details and any updations on collection of documentary evidences.
- The PPC incharges can undertake registration of brand new farmers duly following the procedure in vogue.

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- The PPC incharges have to verify the farmer details with reference to the E-crop/Rythu bharosa data provided on the NFSA screen for selection of land related data of the farmer. In case, the registration is not materialized basing on e-crop/ Rythu bharosa, the next option is to select the web land record for onward transmission by TCS Team to e-crop maintenance team for confirmation of the record.
- The farmer land extent shall not exceed 10 hectares and those farmers whose land exceeds the limit, have to obtain permission from the concerned District Manager to sell their paddy at PPCs. However, there is a provision created by TCS alerting the District Managers to trace such instances and to act upon them basing on the genuinety of the case.
- The farmer is permitted to deliver a maximum of 175 bags (40 Kgs each) for Khariff and 180 bags (40 Kgs each) for Rabi per hectare and if it exceeds the software will not allow the transaction.
- In order to identify and procure maximum quantity of Swarna and other akin varieties of paddy, the APSCSCL shall commence paddy purchase centres throughout the state under the supervision of technical persons.
- The Joint Collectors shall take action for display of the farmer-wise registrations in writing on the black boards at the PPCs and the print outs shall be affixed on display boards in visible manner to all the farmers/officials/ press people as and when they come to the PPCs.
- The technical persons kept at the disposal of the PPCs by the Joint Collectors shall create awareness to the farmers and be supportive to them to sell their paddy with specifications. The technical persons will also impress upon the need for sowing of the Swarna and other akin varieties instead of the non-preferred varieties.
- The expenditure to the technical persons shall be deemed to be adjusted from the commission payable to the paddy purchase centres.
- The PPCs shall be manned by PACS/DCMS/Rythu Mitras and Self Help Groups etc, as finalized by the Joint Collectors. The Joint Collectors shall identify the areas for opening of the paddy purchase centres preferably located in AMCs and PACS.
- Technical Assistants to work in the PPCs shall be identified and trained thoroughly by the Joint Collector/ District Managers. The imparting of training will be more on identification of variety/ grade which are suitable for distribution under PDS and usage of software.
- Marketing Department shall assess the requirement of equipment required at all the PPCs, present availability status and make available the balance to the PPCs etc.,
- The Marketing Department shall ensure availability of tarpaulin and other infrastructure to protect the paddy stocks from rains/cyclones/ unseasonal conditions.
- Availability of equipment like paddy cleaners, drying machines, winnowing machines, sieves, moisture meters, calipers etc., which are required for MSP operations should be positioned and monitored by Agriculture Marketing Department.
- The PD,DRDA/DCO/DCMS shall ensure availability of computer system and printer with internet connectivity along with one Data Entry Operator before commencement of paddy purchase.
- The PPCs should also be provided with helpers for drawing of samples and for other routine operations.

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- The technical persons with the assistance of PPC incharges shall assess the quantity of paddy likely to arrive at each of the purchase centre depending upon the crops in and around the neighbouring villages.
- The PPC incharges shall maintain the schedule to regulate the arrivals of paddy from villages/areas nearer to the purchase centre so that there will not be any hardship to the farmers to dispose their paddy.
- Farm gate purchases of paddy shall be done with the support of Tabs/smart phones which are compatible to feed data and to generate purchase voucher and truck chit at field level, wherever feasible.
- The appointed Transport contractors shall make available adequate transport fleet, with GPS/ Mobile tracking for sending stocks to the identified and tagged rice mills from time to time.
- The millers/farmers having own transport vehicles are also permitted to undertake transportation of paddy to the rice mills/PPCs duly getting them registered in the NFSA application.
- The APSCSCL shall also take up storage of paddy in interim godowns or in cap storage as per the requirement and conditions.
- The payment of Mandi labour charges at Paddy purchase centers will be considered as per the GOI Cost sheet.
- The Government is proposing distribution of rice received after sortex operations to the card holders from Apirl, 2020. For this purpose, non-sortex rice has to be delivered to FCI only. Therefore, separate accounts are to be maintained by the millers in respect of sortex and non-sortex rice.
- The Payment to the farmers shall be done through RTGS direct to the bank account of the farmers and the PPC incharges should observe the bank details with reference to the original pass book for ensuring prompt payments.
- The Government of India has come forward to extend central assistance for implementation of distribution of fortified rice under PDS. The AP State Government is proposing to implement it in phased manner. Therefore, wherever production of fortified rice is entrusted to the rice mills in the CMR process, separate accounts are to be maintained by the rice miller as well as by District Manager, APSCSCL.

9) **HANDING OVER OF PADDY TO RICE MILLS AND CUSTOM MILLING:**

- The Joint Collectors shall finalize the rice mills for custom milling duly collecting the MOUs and Bank Guarantees in 1:1 ratio as stipulated by the Government.
- Allotment of paddy to the defaulted rice mills of the past years will not be considered and be kept away from CMR operations.
- The DSOs/DMs shall identify the rice mills having sortex facility and tagging with PPCs is to be done after taking into consideration the capacity of the rice mills.
- The NFSA software will indicate the sortex and non-sortex rice mills to enable the DSOs for tagging of the PPCs.

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- The Government has proposed to entrust custom milling of Swarna and akin varieties to the mills having sortex facility and other varieties to the non sortex rice mills. The APSCSCL shall accept the CMR from the sortex rice mills and FCI will accept the CMR from the non-sortex rice mills, as per the following specifications:

Sl.No	Refractions	Usual FAQ Specifications for		Sortex quality with improved specifications	
		Grade "A"	Common	Grade "A"	Common
1	Brokens Raw	25	25		15*
2	Foreign Matter Raw	0.5	0.5		0
3	Damaged Raw	3	3		
4	Discoloured Grains Raw (without spot damage)	3	3		1.50
5	Chalky Grains Raw	5	5		1.00
6	Red Grains Raw	3	3		3
7	Admixture of lower Class Raw	6	--	6	0
8	Dehusked Grains RR/BR	13	13		10
9	Moisture Content RR/BR (without value cut)	14	14		14**

NB: * not more than 0.60 % by weight shall be small Brokens.

**** there will be no value cut upto 14%. Between 14% and 15% Moisture value cut will be applicable @ full Value.

- As the sortex rice mills shall also deliver CMR at 67% out turn, the proposed incentive by the Government will be considered for payment in addition to the milling charges.
- The Joint Collectors/ District Managers are empowered to transfer the paddy stocks to the sortex rice mills in other districts basing on the instructions from Commissioner of Civil Supplies/VC & Managing Director**.**
- The millers shall have to deliver CMR at regular intervals from the date of receipt of paddy. The frequency of CMR deliveries will be strictly kept under watch and in case of default/ non availability of paddy with the miller, the bank guarantee amount will be forfeited.
- The Joint Custodian Officers appointed by Joint Collectors shall physically verify the paddy / CMR stocks in the premises of designated rice mills periodically every week and submit the PV reports.

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- The Millers shall be permitted to take delivery of paddy on submission of Bank Guarantee at 1:1 ratio on commencement of paddy purchases. By the time of closure of the PPC purchases, the District Administration shall ensure that the status of BG ratio is improved to 1:1.5(paddy: Paddy cost+ one and half cost) by way of CMR deliveries by the miller. If there is any failure in this regard, the District Administration shall immediately go for inspection of the stocks at the mill premises and take action for invocation of BGs.
- The required technical and office staff shall be taken by APSCSCL by outsourcing and the surplus staff can be terminated after completion of the season**.**
- The Technical Assistants shall draw the samples and undertake analysis before acceptance.
- The millers shall complete the CMR deliveries with proper weighment against the paddy given to them within stipulated time duly accounting the gunnies.

10. CUSTODY AND MAINTENANCE OF STOCKS OF PADDY / RICE:

- The District Administration shall declare every trading Rice Mill as Storage Point for storing of paddy for custom milling.
- The paddy shall be supplied to the designated Rice Mills for undertaking custom milling on behalf of APSCSCL.
- Once the paddy sent from PPCs to Rice mills is acknowledged by the miller, the miller is bound to deliver the CMR in terms of the same variety without any deviation**.**
- The Rice Millers shall be made responsible to receive the paddy stocks, storage and maintenance until entire custom milling is completed during the season.
- The paddy issued to the millers for custom milling should be stored in hygienic condition and in countable manner to facilitate inspections by officials authorized.
- In case of non-availability of paddy / rice during inspection by any inspecting authority, it will be treated as misappropriation and action will be initiated for recovery of the amount.
- Any seizure of the stocks and filing report by the Enforcement Officer before the Collector, if there is any paddy and Rice under the CMR Scheme belonging to the APSCSCL, the Collector shall immediately order for shifting the paddy and Rice under CMR to other Designated Rice Miller who is having sufficient BG under the supervision of concerned DSO.
- In case, the paddy is issued to the rice mills for milling from intermediary storage points hired by APSCSCL, then the APSCSCL shall retain the custodian & maintenance charges as admissible in the GOI Cost sheet.

11. ROLE OF WAREHOUSES

- Proper dunnage at the godowns should be ensured.
- Custody and Maintenance system to be followed as per the Warehousing norms.
- Stacking to be done properly as per the standard norms being adopted in the FCI/ scientific godowns.

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- As the CMR stocks are to be distributed under PDS, the warehouse authorities should satisfy the quality of the stocks before acknowledging the stocks.
- The godown managers should follow the FIFO while issuing the stocks only after quality inspections done by the district officers and Head Office after clearance.
- Tags for the stacks as required under the godown procedure to be followed.
- Preservation methods for storage of stocks to be followed.
- Godowns shall be free of rodents/snakes etc., as per prescribed standards.
- Fumigation, spraying etc. should be done as per the time schedule prescribed as per the quality maintenance norms.
- Accounting system should be transparent.
- Weighment should be ensured at the time of receipt and issues.
- The warehouse managers of SWC/CWC/Buffer investor godowns are given login IDs and passwords for acceptance of CMR and they should comply with the procedure without deviation. The information in respect of acceptance of CMR will be the basis for finalization of the miller accounts and as such the warehouse managers should take responsibility for the transactions generated in the NFSA application.
- Digital keys should be provided to all the Warehouse Managers at acceptance points for acknowledgement of CMR.
- Godown staff shall be responsible for proper accounting of the stock and maintenance of stocks.
- District Manager and other superior officials including the Revenue Divisional Officers, shall take up physical verification frequently at the godowns to ensure that there is proper management of stocks.
- Improper maintenance of godowns leads to deterioration in quality and quantity of rice. Hence proper maintenance is required.
- SWC, CWC, Marketing Department etc., to consider allotting the godowns available/to be vacated/to be constructed to APSCSCL for storage of CMR. SWC may also take over private godowns and place at the disposal of the APSCSCL.
- Curative and prophylactic treatments should be given to the stocks periodically to keep the stocks free from infestation.

12. Duties and Responsibilities of the APSCSCL:

- Assess the requirements of Cash credit limit for procurement of paddy and rice;
- Furnish cash flow statements periodically to the Government;
- Ensure that the stocks of rice/paddy match with the outstanding cash credit;
- Daily monitoring of availability of funds in the districts for procurement of paddy and CMR rice and making available the required funds through on-line transfer.
- Periodicals to be obtained from the District Managers on every aspect of the transaction - right from purchase point till the distribution point - including intermediary transactions.
- To ensure quick delivery of CMR and to maintain buffer stocks in all the districts by creating storage space in the surplus districts duly following the economics involved.

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- The paddy Procurement Software should be updated to the requirement and for capturing all the details right from PPC to delivery of CMR at the godown
- MIS shall be worked out for proper monitoring. District Managers of the APSCSCL shall be responsible for proper quality check, maintenance of stocks and accounts in the godowns, preservation measures.
- The APSCSCL may explore the possibility for appointing third party godown operators for maintenance of stocks.
- Frequent inspections to be undertaken to reduce the mismanagement and misappropriations, Dist. Managers of APSCSCL besides RDOs and DSOs to verify periodically to curb the diversions for recycling or shortages.
- Timely reconciliation of accounts with the sub-agencies like Velugu (Women Self Help Groups) groups, PACSs, DCMSs, Rythu Mithras etc., to be done before payment of commission due to them.
- Farmer payments will be processed as per norms placed and will be paid in a time bound manner. No delay without specific reason at any level will be tolerated; all payments of incidentals including transportation should be made only after reconciliation of accounts**.**

13. ROLE OF JOINT COLLECTORS:

- Joint Collectors as Ex-officio Executive Directors of the APSCSCL to play a pivotal role in implementing the DCP under their guidance, gauze and scrutiny.
- Joint Collectors shall instruct the AD, Mktg/Heads of the PPC agencies for installation of flexies with all relevant information of MSP and other important guidelines at prominent places in and around the PPCs and also at Tahsildar and RDO office.
- Ensuring of qualitative purchases through farm gate by PPCs.
- Identification of temporary storage to prevent damage to paddy of the farmers due to unexpected calamities and heavy rains.
- Shall organize publicity through the electronic and print media, posters, leaflets besides "Tom Tom" wherever possible about the MSP, specifications, location of purchase centres, time schedule for different areas for delivery of paddy.
- Ensure required equipment like Paddy cleaners etc., deployment of required staff, Quality check, acceptance of paddy at the purchase centres, transport fleet for movement of paddy to mills, intermediary storage wherever needed. Funds requirement by the DM, CS Corporation for accepting paddy and CMR rice, and all other related matters.
- Shall oversee the functions of the District Managers of APSCSCL on a daily basis and suitably advise them for proper implementation of DCP.
- Shall inspect the purchase centres and the godowns as frequently as possible to ensure that there is no hardship to the farmers to dispose their paddy, also to ensure the quality checks at every stage and to make the payments in time to the farmers. The JCs should also ensure simultaneous shifting of paddy to the rice mills for custom milling.
- The Joint Collectors should finalize the mapping of PPCs with the rice mills through the DSOs and should observe that economic planning is complied with.

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- Allotment of paddy to the defaulted rice mills of the past years will not be considered by the Joint Collectors and they should be kept away from CMR operations.
- Take necessary assistance of the DMs and DSOs and provide date-wise quantity of paddy unloaded at each rice mill for monitoring of delivery of CMR within the stipulated time and for realizing the CMR rice from the rice millers.
- Joint Collectors shall appoint Joint Custody Officers in the cadre of not less than MRI or DT s for Physical verification of paddy / CMR and gunny bags given to the miller at designated rice mill points periodically and fix up responsibility to Joint Custody Officers. The Periodical PV reports from the custodian officers should be ensured.
- Conducting of regular weekly meetings with rice millers for delivery of CMR within the stipulated time.
- To initiate action against the rice millers who fail to deliver the custom milled rice as per the agreement. To check the buffer godowns frequently to ensure proper stacking and maintenance of stocks, issues as per FIFO, proper weighment, maintenance of records, stock verification etc.,
- Ensure acquisition of suitable godowns of the private parties for storing the stocks of the APSCSCL if needed.
- Allotting of lands to the Civil Supplies Department for getting the godowns constructed by the APSCSCL for storing the rice.
- Joint Collectors shall fix up the responsibility on agencies i.e., PD, DRDA/DCO/DCMS that the staff at the PPC shall confirm the receipt of paddy by the rice millers sent from the PPCs immediately. They should also obtain the confirmation in terms of quality, quantity and variety in the NFSA application.
- The Joint Collectors shall fix the responsibility on DM and DSO for proper mapping of rice mills, maintaining of bank Guarantees with validity time in finalization of mill wise targets.
- Control rooms to be opened in every district and dedicated number to be operative from 8.00 A.M. to 8.00 P.M. A senior officer shall be the incharge for the complaint cell to attend to the complaints immediately and redress them.

14. ROLE OF DISTRICT SUPPLY OFFICERS:-

- They shall work upon the instructions of Joint Collector & EOED and in coordination with District Manager, APSCSCL.
- The DSOs shall identify the rice mills having sortex facility and tagging is to be done with the PPCs taking into consideration of the capacity of the rice mills.
- The NFSA software will indicate the sortex and non-sortex rice mills to enable the DSOs for tagging to the identified rice mills.
- To obtain MOU from the designated rice mills along with Bank Guarantees @paddy Cost 1:1 before commencement of Khariff 2019-20 and handover to District Managers to monitor the CMR transactions and for invocation in case of default by the rice miller.
- Posting of Joint custodian officers for each designated rice mill and overall supervision at field level and to obtain weekly physical reports in the prescribed format from each rice mill and to submit to Joint Collector for taking further action.

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- Identification of sortex and non-sortex rice mills and tagging them to PPCs duly following the varieties of paddy procured by the PPCs.
- Arranging of meetings under the chairmanship of Joint Collector with millers associations, FCI Area Manager, Joint Director of Agriculture, Asst. Director of Marketing and District Procurement Committee for smooth functioning of MSP operations and CMR deliveries.
- Supervision of maintenance of accounts by the rice millers for the paddy taken for custom milling and CMR deliveries separately variety wise. The maintenance of A & B registers should also be watched.
- All matters relating to upgrading of mills with sortex infrastructure, installing of sortex machines at rice mills should be monitored.

15. GUNNIES

The District Managers shall follow the under mentioned circular instructions issued vide No.Mktg/M2/ 001552/G/2018-19, dtd.24.07.2019 by VC & Managing Director for strict implementation:

1. Stencil or Branding shall be in "BLUE" colour for KMS-2019-20.
2. The SGS agency is using a unique barcode seals, these seals and stickers are the key evidence for gunny bales which were inspected and accepted by SGS.
3. In some of the cases the SGS agency is rejecting the bales due to wrong identification marks, quality, weight, mixed with other consignee and other reasons, in such cases SGS agency will reject with **"SGS /REJECTED" stencil.**
4. The District Managers are strictly advised not to open all the complaint bales of the consignment and inform immediately to head office along with photographs as proof to register a complaint through "JUTE SMART" online and the entire consignment should be kept aside for Joint Inspection by the Team deputed by Jute Commissioner, Kolkata.
5. The Indent-wise, Mill-wise allotment details will be uploaded in NFSA site, so that the Districts Managers can acknowledge the receipt particulars immediately and also update the dispatch particulars.
6. No gunny issue will be done off-line, let Miller acknowledge them immediately. Similarly return also will be done online under proper acknowledgement.
7. Never mingle serviceable, unserviceable and new gunnies under any circumstances.
8. Do not overload / over pack the godown without aisle space.
9. The usage charges fixed by GOI will be paid to the millers for the gunnies supplied by the miller for paddy filling.
10. The Zonal Managers / District Manager / Asst. Managers will undertake periodical inspections of godowns with gunnies on par with other godowns.
11. The District Manager should submit monthly periodical on New/Serviceable gunnies / unserviceable gunnies by 5th of succeeding month without fail. The Asst. Manager (G) and Asst. Manager (Accts) is held responsible in submission of reports.
12. All the District Managers should ensure monthly physical verification of gunnies lying at godowns as New, Serviceable and unserviceable along with other commodities, and should be stored in countable manner.

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13. The DMs are requested to send the details of leftover gunnies of KMS 2018-19 godown-wise duly certified by FCI to Head Office to obtain permission from Govt of India to utilize in KMS 2019-2020.
14. To take proper care while storing the gunny bags in the godowns, be cautious with termites and rats as they are causing major damage to gunnies

- The DMs and AMs (Tech.) shall ensure the quality parameters of new gunnies received from the Jute Mills while unloading at goods shed/godowns.

16. PADDY TRANSPORTATION:

- In terms of Govt. of India instructions, the transport contractors are to be appointed for each District. Accordingly, the VC & Managing Director shall carry out the tender process duly adopting the Schedule of Rates(SoR) approved by State Level Committee.
- Thus the rates finalized through the above process will be taken into consideration for carrying out the paddy transportation. In case of the inability of the transport contractor to place sufficient vehicles at all the PPCs, the farmer/rice miller/ transport agencies are permitted to transport the paddy to the rice mills and freight charges will be paid as per the rates arrived in the tender.
- The appointed contractors shall also transport the paddy to the deficit districts as per the allotment orders issued by the competent authority.

17. CUSTOM MILLING OF PADDY:

- The District Managers of Paddy Procuring districts shall obtain a list of designated rice mills in consultation with the Joint Collector and the formalities viz., bank guarantee, agreement with the designated rice millers shall be completed well in advance i.e., prior to commencement of KMS 2019-20.
- The allocation of paddy shall be made proportionate to the milling capacity of the designated rice mill as disproportionate allocation of paddy may lead to misappropriation. The track record of the rice miller should also be a point before considering allocation of paddy. A meeting with rice millers associations shall be convened prior to allocations for coordination to regulate the system.
- The District rice millers associations shall take responsibility in the event of default/ misappropriation of paddy by any rice miller by compensating the loss sustained by the APSCSCL.
- The Head office of APSCSCL shall communicate the draft MoU for entering into with designated Rice Millers which is uniform throughout the state.
- Bank guarantee is to be collected at 1:1 ratio at the time of entering into agreement. The normal period of paddy purchases is 75 days and in this period, the miller shall deliver CMR and improve the BG ratio to 1:1.5. The rice millers shall complete the CMR within the stipulated time and in case of failure, the available BG will be forfeited, once the inspection reveals understatement of stock position.

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- The value of the BG shall depend upon the milling capacity. Paddy shall be released to the extent of the value of bank guarantee furnished by the individual rice miller.
- It is the responsibility of the District Managers to ensure the validity period of bank guarantee is intact and seek extension of the bankers basing on the circumstances. In case of lapse of BGs, the District Managers and District Supply officers will be fixed up with responsibility. The bank guarantee period should be ensured minimum 9 months and should also be provisioned with claiming period of 3 months.
- The District Managers should also obtain letters from the Banks extending their willingness to co-operate for invocation of bank guarantees on demand by APSCSCL on the day of request itself without delay.
- The rice millers shall be paid milling charges as per the rates fixed by GOI.
- The Rice millers shall deliver 67% of CMR as Raw rice and 68% of CMR as boiled rice against all varieties of paddy given for custom milling and no request for relaxation will be entertained.
- With regard to Fortified rice, the DM should see that the miller should deliver quantity of rice equivalent to the quantity of FRK mixed with CMR in the ratio of 1:100 for production of fortified rice in addition to the 67% fixed out turn ratio of Raw Rice i.e., 67.67%.
- The FCI stock should be delivered as per FAQ specifications of GOI.
- It is mandatory to ensure realization of CMR within 15 days from the date of handing over of paddy to the rice miller. The District Administration is empowered to visit the rice mills and to verify the stocks physically and in the event of shortfall of stocks, the District Administration shall take action for recovery of the cost with penalty @1.5 times of paddy cost from the miller apart from initiation of other civil and criminal proceedings.
- The Custom milled rice to be delivered to the Food Corporation of India / State Corporation, as the case may be, shall conform to the specifications of rice for fair average quality as prescribed and shall not contain refractions beyond the rejection limit and in case any stock of CMR offered for delivery does not conform to such specifications, it shall be reconditioned or rectified by the miller or the dealer as the case may be, before being so offered so as to bring it in conformity with such specifications.
- The miller may be supplied with paddy of both Grade "A" and Common belonging to specific varieties. The rice millers in turn have to deliver the CMR of same variety and grade without deviation. If the miller deviates from these stipulations, the difference of cost with a penalty of 20% of MSP will be recovered from the milling and other charges payable.
- The Collectors (CS), DSO, DM-CSC and other enforcement officials have to hold responsibility for realization of complete CMR.
- Every designated rice mill should contain a display board prescribing that "**this rice mill is designated for custom milling of Govt. paddy on behalf of APSCSCL and stocks of paddy, rice and other by-products shall not be pledged by any Financial Institutions for release of loans. By Order-District Collector".**

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- Rice millers are entitled for milling and other charges as prescribed by GOI and as per eligibility. The DMs shall send proposals to the Head Office seeking to release the respective amounts.

- Every miller shall maintain and submit online true accounts indicating the total transactions right from receipt of paddy, paddy milled, CMR delivered and balance stocks available at the end of the day in Form-A1 and A2.
- Every miller shall maintain separate account for the stock of paddy purchased on his own account, paddy milled, rice produced, sold within or outside state etc., in Form-B. He shall furnish fortnightly abstract of the accounts for the periods ending on 15th and the last date of every calendar month to the Collector.
- No rice miller shall undertake custom milling of paddy of his own / persons other than Govt. agencies when CMR delivery is pending to APSCSCL / FCI.

18. Imparting of training by the experts to PPCs staff/ CSC Staff :

The APSCSCL shall arrange training programmes at District and Division level to all the staff of paddy purchase centers well in advance of commencement of the paddy purchases.

19. COMPLAINT CELL AND REDRESSAL MECHANISM:

Toll free numbers 1902, 1967, 1800-425-0082 and 1800-425-1903 are available for receiving the complaints or for any queries and they will be forwarded to the concerned districts for redressal.

20. A copy of this order is available on the internet and can be accessed at the address - www.ap.gov.in;//goir.ap.gov.in.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

KONA SASIDHAR
EX-OFFICIO SECRETARY TO GOVERNMENT

To,
The Commissioner of Civil Supplies, A.P., Vijayawada.
The VC & Managing Director, A.P. State Civil Supplies Corporation Limited, Vijayawada.
All District Collectors.
The General Manager (A.P.), Food Corporation of India, Vijayawada.
The Chief Executive Officer, SERP.
All the Joint Collectors,
All the District Supply Officers / DMs, APSCSCL.
The Commissioner for Cooperation and Registrar of Cooperative Societies, A.P.,VJA.
Copy to:
The Secretary to Govt. of India, Min. of Consumer Affairs, Food & Public Distribution, Dept. of Food & Public Distribution, Krishi Bhavan, New Delhi.
The Director General, Vigilance and Enforcement Dept, A.P.
The Principal Secretary to Govt., Revenue(CT) Dept., A.P.
The Principal Secretary to Govt., Agriculture & Cooperation, A.P.
The Special Chief Secretary to Government, Agriculture, Mktg & Coop.Dept.,

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The Managing Director, A.P. State Warehousing Corpn. Ltd., Vijayawada.
The Regional Manager, Central Warehousing Corporation, Hyderabad.
The Commissioner & Director of Marketing, A.P., Guntur.
The Commissioner & Director of Agriculture, A.P., Guntur.
The Commissioner, Transport, A.P., Vijayawada.
The Commissioner, I & PR, A.P., Vijayawada.
The Secretary to Hon'ble Chief Minister for information
The P.S to Hon'ble Minister for Price Monitoring, Food, Civil Supplies & Consumer Affairs, A.P.
The P.S to Hon'ble Minister for Agriculture and Horticulture, A.P.
The P.S to Hon'ble Minister for Marketing Department, A.P.
The Presidents, Rice Millers Associations, A.P.,
SF/ spare.

// FORWARDED :: BY ORDER //

SECTION OFFICER.